

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
October 19, 2009**

CALL TO ORDER

Pursuant to due call and notice thereof, a regular meeting of the Shoreview City Council was called to order by Mayor Martin on October 19, 2009, at 7:01 p.m.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the flag.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Huffman, Quigley, Wickstrom and Withhart.

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the October 19, 2009 agenda as submitted.

ROLL CALL: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

There were none.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

Gallery 96 will have an art exhibition at the Shoreview Ramsey County Library from November 6 to December 4, 2009. A reception will kick off the event on Friday, November 6, 2009, between 6:00 and 8:00 p.m. On Saturday, November 7, 2009, 11 artists will be at the library for discussion. All are encouraged to attend.

Attended her first Buckthorn Bust and with other volunteers had a pile of buckthorn 30 feet high and 50 feet long pulled from the trail area around the pond at the Community Center. Thank you to the many volunteers who came to help.

Councilmember Wickstrom:

Attended the Historical Society meeting. The author was present to talk about his book which includes information on Shoreview's ghost, Hiney Hanson, who used to live on the south end of Turtle Lake. The meeting was taped and will be aired on CTV.

Improvements to Sitzer Park are almost complete. Already many children are using the playground equipment.

The Annual Meeting of the Ramsey County League of Local Governments will be at the Snail Lake Education Center on Thursday, November 12, 2009. The topic will be a discussion with other local governments in Ramsey County on ways to cooperate among each other.

Councilmember Withhart:

The Shoreview Community Foundation is announcing its first annual fundraising event on Thursday, November 12, 2009 from 7:00 to 9:00 p.m. at the Community Center. All are invited to enjoy refreshments, an auction and silent auction. The cost is \$20.00 per person in advance. The money raised is for Shoreview and will be used to support local community parks, Gallery 96, the Shoreview Northern Lights Variety Band and many other activities. There is a link to the Shoreview Community Foundation on the City's website where there is more information.

CONSENT AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to adopt the consent agenda of October 19, 2009 approving the necessary motions and resolutions:

1. October 5, 2009 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes
 - Bikeways and Trails Committee, September 3, 2009
 - Economic Development Authority, September 14, 2009
 - Environmental Quality Committee, September 28, 2009
3. Monthly Reports
 - Administration
 - Community Development
 - Finance
 - Public Works
 - Park and Recreation
4. Verified Claims in the Amount of \$1,110,142.11
5. Purchases
6. Approval of Application for Exempt Permit - St. Odilia Church

7. Approval of Deferment of Special Assessment under Disabled Persons Special Assessment Deferment Program
8. Approval of Identity Theft Prevention Program (Red Flag Policy)
9. Developer Escrow Reductions
10. Approval of Joint Powers Agreement with Anoka County Parks - County Road J Trail Improvement
11. Approval of Settlement and Release of Claims Agreements with Ramsey County and PaR Systems for Property at 655 County Road E West
12. Accepting Street and Utility Infrastructure - Whispering Pines
13. Accepting Street and Utility Infrastructure - Snail Lake Landings
14. Accepting Street and Utility Infrastructure - Michaelson Estates
15. Accepting Street and Utility Infrastructure - Spring Haven Estates

ROLL CALL: Ayes - 5 Nays - 0

PUBLIC HEARINGS

There were none.

GENERAL BUSINESS

AUTHORIZATION TO PURCHASE REPLACEMENT VIDEO EQUIPMENT FOR COUNCIL CHAMBERS

Presentation by Assistant to City Manager Tessia Melvin

In 2008, \$70,000 was placed in the Capital Improvement Program (CIP) for replacement of video equipment in the Council Chambers. Architects from three firms were invited to submit proposals. In August 2009, staff chose the best design and solicited quotes from three firms for the new video system. Three quotes were received. The low bid is from Tierney Brothers, Inc. in the amount of \$40,475.08, which staff is recommending. The bid includes equipment, labor and training. Tierney Brothers is a local company that has done numerous projects in the City and has a good relationship with staff.

Councilmember Withhart asked how funding will fit in the City's budget. Mr. Schwerm stated that the funding is from the Cable franchise fees the City receives. He noted that the bid is approximately \$30,000 less than what was expected.

Mayor Martin asked if the microphone and sound issues will be addressed. Ms. Melvin stated that some problems will be fixed with the video switcher. The new equipment will be a good improvement and she expects it will last 10 years. The work will be completed within four to six weeks.

MOTION: by Councilmember Huffman, seconded by Councilmember Withhart to authorize the purchase of replacement video equipment for the Council Chambers to Tierney Brothers, Inc. in the amount of \$40,475.08.

ROLL CALL: Ayes: Huffman, Quigley, Wickstrom, Withhart, Martin
Nays: None

APPROVAL OF AGREEMENTS RELATING TO INITIATING PRELIMINARY DESIGN AND FEASIBILITY STUDY - OWASSO STREET REALIGNMENT AT VICTORIA STREET/COUNTY ROAD E

Presentation by Asst. City Manager/Community Development Director Tom Simonson

The City of Shoreview was one of five cities to participate in a pilot program through the Urban Land Institute. As part of the comprehensive housing study that was done, the site of Midland Terrace Apartments was analyzed with full cooperation of the property owner, Tycon Group. Long-range improvements were recommended that include relocation and realignment of Owasso Street that serves the complex. There was severe damage to Midland Plaza in June when a vehicle crashed into the convenience store in the strip center. The property owners have asked the City to consider potential realignment of Owasso Street for redevelopment of the property, which would include removal of the strip center, realignment of Owasso Street with a signalized intersection that would align with County Road E West. A new apartment building is planned on the south side of the new road near Lake Shoreview.

The new intersection would be under jurisdiction of Ramsey County. Ramsey County is supportive of the concept but will not participate financially. A proposal has been received from SEH for the preparation of a preliminary design and feasibility report at an estimated cost of \$41,900.00. The property owner of Midland Terrace has agreed to reimburse the City for the cost of the study. It is anticipated that the design and feasibility study would be completed by December, 2009. Midland Terrace plans to submit redevelopment plans in November or December, 2009, with construction anticipated to begin in the spring of 2010 and be completed by fall of 2010.

Councilmember Wickstrom noted the cost difference stated in the formal resolution. Both costs should be the same and will be corrected to the \$41,900 amount.

Councilmember Huffman stated that this project is not in the City's street plan and asked how it will be funded. Mr. Simonson responded that details of the project funding have yet to be worked out. There has been some discussion about assessing the cost of the road realignment costs back to the owner of the project. Depending on the type of units built, they may be eligible for TIF funding.

Mr. Maloney added that assessments would correspond with the Chapter 429 process used for public improvement projects. The purpose of this first phase is for the City and the property owner to reach a starting point for a discussion of costs.

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to approve an agreement between the City of Shoreview and Terrace Apartments Company, LLP, regarding the reimbursement of costs (estimated at \$41,900.00) incurred by the City for the preparation of a Preliminary Design and Feasibility Report for a possible Owasso Street Realignment public improvement project.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Huffman, Martin
Nays: None

MOTION: by Councilmember Huffman, seconded by Councilmember Withhart to approve the execution of an agreement for engineering services with Short-Elliott-Hendrickson (SEH) for a Phase One - Preliminary Design and Feasibility Report for a possible Owasso Street realignment public improvement project at a cost of \$41,900.00 and authorizing the Mayor and City Manager to execute said agreement.

ROLL CALL: Ayes: Wickstrom, Withhart, Huffman, Quigley, Martin
Nays: None

AWARD OF DENTAL INSURANCE

Presentation by Human Resources Manager Laurie Elliott

State law requires that the City solicit proposals for a dental plan a minimum of every five years. Staff has worked with a dental agent and secured 14 proposals. Factors considered in selecting the plan recommended include: 1) rates and plan design; 2) rate increase year to year with other clients; 3) network size; 4) whether it is a pooled group or the City would be its own stand-alone group. The plan staff recommends is Delta Dental Millennium Choice Program. It has a large network that will serve more employees who will not have to pay higher out of network costs. The plan is 100% pooled with renewal rates averaging 4.5% to 5%. There is also a discount agreement between the dentists and the insurance company that will save employees money when they need high cost services, and the co-pay is lower. The three rates in the plan are: 1) single, \$37.90; 2) single plus 1, \$80.95; and 3) family, \$115.15.

Mayor Martin noted that the single plus one rate can be for a child or spouse and is less expensive than having to use the family plan.

MOTION: by Councilmember Withhart, seconded by Councilmember Quigley to award the group dental insurance policy to Delta Dental Millennium Choice represented by AT Group effective January 1, 2010, as recommended in the attached staff report.

ROLL CALL: Ayes: Withhart, Huffman, Quigley, Wickstrom, Martin
Nays: None

AWARD OF 2010 HEALTH INSURANCE

Presentation by Human Resources Manager Laurie Elliott

This plan is also required to solicit proposals after five years. Preferred One and HealthPartners submitted proposals. The City's claims this last year in the current program showed a 35% increase in premiums. In evaluating a new plan, the following was considered:

- Cost of health insurance plan
- Impact on City budget
- Increased premium cost to employees on family coverage
- Balancing plan changes with increased out-of-pocket costs

Staff recommends HealthPartners Open Access plan, which has a deductible of \$1,000 for singles and \$3,000 deductible per family after which coverage is 80/20. The maximum out-of-pocket could be \$3,000 for a single person and \$6,000 for a family. This is significantly higher than the current out-of-pocket maximums of \$1500 for singles and \$2500 for families. There is also a small increase in prescription co-pay costs. The premium rates are a 20% increase, which is significant, but if the City had remained with County coverage, the premium rates would be over double at \$684 for singles and \$1,630 for families. The HealthPartners premiums are \$326.80 for singles and \$777.79 for families, which are very low in comparison to most other City groups.

Mayor Martin asked if employees will have to change doctors with HealthPartners. Ms. Elliot stated that the doctor network is similar with a lot of overlap. She believes a very few, if any, employees would have to switch doctors.

Mayor Martin stated that establishing the Volunteer Employees Benefit Association (VEBA) and using a higher deductible premium has served the City and employees well. In the one year of 2008, over \$378,000 was saved in health care costs over what would have been paid with the previous County plan.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to award the group health insurance policy to HealthPartners Open Access Plan represented by CBIZ Benefits & Insurance Services effective January 1, 2010, as recommended in the attached staff report.

ROLL CALL: Ayes: Huffman, Quigley, Wickstrom, Withhart, Martin
 Nays: None

ADJOURNMENT

MOTION: by Councilmember Huffman, seconded by Councilmember Withhart to adjourn
 the meeting at 7:50 p.m.

ROLL CALL: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 2nd DAY OF NOVEMBER 2009.

Terry C. Schwerm
City Manager